



Ohio Revised Code

Section 1321.66 Consumer installment loan licensee recordkeeping; examination of records.

Effective: September 12, 2017

Legislation: Senate Bill 24 - 132nd General Assembly

(A) Records a licensee is required to maintain shall be kept current and be available at a licensed location at all times during normal business hours for review by the superintendent. Records must be legible and maintained in a type size that is clearly readable without magnification and in conformity with any specific typeface or font size that may be required by state or federal law. Except when otherwise provided by federal or state law, records shall be maintained in English. When records are allowed to be in a language other than English, the licensee, at its expense, shall be responsible for providing the superintendent with a full and accurate translation. For purposes of this section, "current" means within thirty days from the date of the occurrence of the event required to be recorded. A licensee shall keep and preserve the following records:

(1) A sortable electronic spreadsheet that discloses the following fields of information:

- (a) Principal borrower's name;
- (b) Principal borrower's address or property address;
- (c) Loan or account number;
- (d) Type of the security for the loan;
- (e) Date of loan;
- (f) Amount financed;
- (g) Date finance charges begin to accrue;
- (h) Loan origination charge;



- (i) Itemization of all additional fees or charges;
 - (j) Principal amount of the loan;
 - (k) Scheduled or precomputed interest;
 - (l) Number of payments;
 - (m) Contractual rate of interest;
 - (n) Federal annual percentage rate;
 - (o) Payment amount;
 - (p) Types and amounts of credit-related insurance;
 - (q) Default charge;
 - (r) Check collection charge;
 - (s) Any points charged to the borrower;
 - (t) Any charges for prepayment of the loan.
- (2) Payment histories for each outstanding loan and each loan paid in full that shall disclose all of the following:
- (a) Principal borrower's name;
 - (b) Loan or account number;
 - (c) A chronological entry of all debits, credits, payments, and charges received, assessed, or



disbursed in connection with the loan, recorded thereon in an identifiable manner in order to show the actual date of receipt, assessment, or disbursement and the balance due on the loan or account.

(3) A file for each principal borrower. If there are multiple loan transactions with the same borrower, each loan transaction in the file shall have a unique loan or account number. The file shall contain copies of all of the following:

(a) All documents related to the loan transaction from origination through the final entry on the record;

(b) Copies of the complaints, court orders, settlements, and judgments relating to collection litigation;

(c) In cases of garnishment or attachment in collection litigation, copies of all notices served on employers and amounts collected;

(d) Copies of all repossession and foreclosure legal documents and other records, including bills for all expenses;

(e) In instances where the security foreclosed upon or repossessed is offered for private sale, not less than three bona fide written bids or appraisals in order to establish that the terms of the sale were commercially reasonable to the borrower;

(f) A copy of the death certificate and documentation of all funds received or paid pursuant to a credit life claim.

(4) A sortable electronic spreadsheet of all loans in collection litigation that shall include all of the following:

(a) Principal borrower's name;

(b) Loan or account number;



- (c) Date litigation proceedings were initiated;
- (d) Name of the court in which proceedings were initiated;
- (e) Indication of whether a final judgment has been entered, and if so, all of the following:
 - (i) Date of judgment;
 - (ii) Amount of judgment;
 - (iii) The judgment rate of interest.
- (5) A sortable electronic spreadsheet of all loans in repossession and foreclosure that shall include all of the following:
 - (a) Principal borrower's name;
 - (b) Loan or account number;
 - (c) Type of security foreclosed, attached, replevied, repossessed, or surrendered;
 - (d) Date of repossession or foreclosure;
 - (e) Date of sale of the security;
 - (f) Gross amount received from the sale of the security;
 - (g) The amount of money applied to the outstanding loan balance;
 - (h) Where the security is offered for private or public sale, evidence that the sale was consummated in compliance with the provisions of sections 1309.610, 1309.611, 1309.615, 1309.617, and 1309.624 of the Revised Code.



(6) A sortable electronic spreadsheet of all loans upon which a credit life claim has been paid by the insurer that shall include all of the following:

- (a) Principal borrower's name;
- (b) Loan or account number;
- (c) Date of death;
- (d) Total amount paid by the insurance claim;
- (e) Amount applied to the principal borrower's account.

(7) General business records including, but not limited to, financial statements, check registers, bank statements, contracts with third-party vendors relating to lending services, policy and procedures manual, and training materials.

(8) All contracts or agreements relating to business relationships with businesses or individuals licensed by the division of financial institutions;

(9) A file of all advertisements;

(10) Histories of nonpublished indices used to establish interest rates for variable rate loans, which shall be maintained for two years from date of usage;

(11) Any other records the superintendent may from time to time specify in writing.

(B) Where electronic records are required, a licensee may retain paper records as well. Where electronic records are required, the superintendent may, for good cause, allow a licensee to retain paper records in lieu of the electronic records required by this section.

(C)(1) A licensee shall keep and preserve records pertaining to loans made under sections 1321.62 to 1321.702 of the Revised Code for at least two years after the final entry on the record. The final



entry on the record occurs when the loan is paid in full, charged off as uncollectible, sold, transferred or assigned to another, or discharged or otherwise settled by a final order issued in litigation governing the loan transaction.

(2) Notwithstanding division (C)(1) of this section, a licensee shall keep and preserve records pertaining to residential mortgage loans in accordance with 12 C.F.R. 1026.25(b)(3) as in effect on November 30, 2016.

(3) A licensee shall keep and preserve records pertaining to an advertisement for at least two years after the date the advertisement is published, broadcast, or disseminated.

(D) A licensee shall segregate the records pertaining to business conducted pursuant to sections 1321.62 to 1321.702 of the Revised Code from all other business records.

(E) A licensee shall notify the superintendent via the NMLSR of a change of location of its records pertaining to business conducted pursuant to sections 1321.62 to 1321.702 of the Revised Code not later than five business days after the change.

(F) Where a licensee maintains electronic records in compliance with this section and those records are located outside of this state, the licensee shall make the electronic records available to the division of financial institutions upon request, within the time frame provided by the division. The electronic records may be uploaded to a secure server for the purpose of the division conducting an examination of the licensee.

(G) In the event electronic records, books, records, data, and documents of a licensee are located outside of this state and the superintendent determines that an in-person examination is necessary, the licensee shall, upon the request of the superintendent, pay in advance the estimated costs of the examination of the licensee outside this state, including the proportionate cost of the salaries of division of financial institutions employees who conduct the examination. The estimated costs of an out-of-state examination, as determined by the superintendent, shall be deposited with the division of financial institutions upon demand. After the actual costs of the out-of-state examination have been determined, any funds in the deposit account in excess of costs as itemized by the division of financial institutions shall be returned to the licensee.



(H) Any records maintained on an electronic storage media or system shall meet all of the following requirements:

(1) The electronic storage media or system must preserve the records in a nonrewritable, nonerasable format.

(2) The electronic storage media or system must verify automatically the quality and accuracy of the storage media recording process.

(3) The electronic storage media or system must serialize the original and the duplicate units of storage media, and affix a date and time for the required period of retention on both the original and duplicate.

(4) The electronic storage media or system must have the capacity to readily download indices and records preserved on the electronic storage media or system to any medium acceptable to the superintendent.

(5) Acceptable facilities and appropriate equipment must, at all times during normal business hours, be available to the superintendent for immediate, easily readable projection or production of electronic storage media or system images and for producing easily readable images.

(6) Immediate facsimile enlargement must be available upon the superintendent's request.

(7) A duplicate copy of the electronic record stored on any electronic media or system for the time required must be stored separately from the "original" electronic record.

(8) The electronic storage media or system must organize and index accurately all information maintained on both the original and duplicate storage media or system.

(9) At all times, a licensee must be able to have indices of the electronic records being stored available for examination by the superintendent.



(10) Each index must also be duplicated and the duplicate copies must be stored separately from the original copy of each index.

(11) Original and duplicate indices must be preserved for the time required for the indexed records.

(12) An audit system must be in place that does all of the following:

(a) Provides for accountability regarding inputting of records and inputting any changes made to every original and duplicate record maintained and preserved;

(b) Requires the licensee, at all times, to have the results of the audit system available for examination by the superintendent;

(c) Preserves the results of the audit for the time required for the audited records.

(13) All information necessary to access records and indices stored on the electronic storage media or system, a copy of the physical and logical file format of the electronic storage media or system, the field format of all different information types written on the electronic storage media or system, together with the appropriate documentation and information necessary to access records and indices must be maintained, kept current, and provided promptly to the superintendent upon request.

(14) No paper documents produced or reproduced by means of an electronic storage media or system may be destroyed until the conditions of division (H) of this section have been met with regard to each paper document that is to be destroyed.

(15) At the request of the division:

(a) Records must be printed on paper for inspection or examination without cost to the division within forty-eight hours of the request. The superintendent may grant additional time for good cause shown upon receipt of a request for additional time from the licensee.

(b) The licensee shall provide any court documents in addition to those described in division (A)(3) of this section.



(I) In order to reduce the risk of consumer fraud and related harms, including identity theft, licensees shall be required to comply with section 216 of the "Fair and Accurate Credit Transactions Act of 2003," 117 Stat. 1952 (amended 2010), 15 U.S.C. 1681w as in effect on November 30, 2016, section 501 of the "Gramm Leach Bliley Act," 113 Stat. 1338 (1999) (amended 2010), 15 U.S.C. 6801 as in effect on November 30, 2016, and the rules promulgated pursuant to those federal acts, including 16 C.F.R. Part 313 and 16 C.F.R. Part 682, as in effect November 30, 2016, pertaining to the maintenance, security, and disposal of consumer information and records.

(J) The division shall make or cause to be made an examination of records pertaining to loans made under sections 1321.62 to 1321.702 of the Revised Code at least once every twenty-four months for the purpose of determining whether the licensee is complying with those sections and verifying the licensee's annual report.